



United States
Department of
Agriculture

Forest
Service

Manti-La Sal
National Forest

5/023/016
Sanpete Ranger District
540 North Main 32-14
Ephraim UT 84627
Phone # (435) 283-4151
Fax # (435) 283-5616

File Code: 2810

Date: May 18, 1999

Jack Dansie
Levan Gypsum Mine
328 South 200 West
Nephi, Utah 84648

RE: Notice of Non-compliance for the Levan Gypsum Mine (a.k.a. Gunnison Gypsum Mine)

Dear Mr. Dansie:

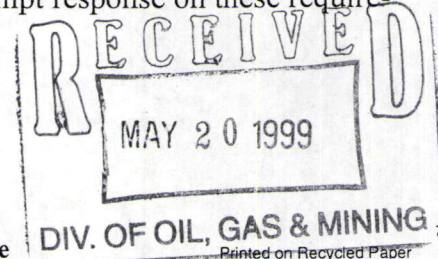
The Gunnison Gypsum Mine was inspected by my staff, Will Wilson, on May 11, 1999. At that time he met you and you informed him of the recent management changes concerning this mine. Robert Miller of Gunnison Gypsum had failed to meet the terms and conditions of your Contract Agreement (dated 12-1-97) and therefore, you and Robert Steele had taken back the mine and had attached a lien on Robert Miller's reclamation performance bond of \$38,000.00.

At this time, there is not a reclamation performance bond secured for the mining you are conducting on National Forest System Land and your plan of operations (although active in 1997) is not connected to your current activities due to the change in the operator from 1997-1998. Essentially, you are conducting activities on National Forest System Lands without a current operating plan nor a reclamation performance bond.

This is a letter of Noncompliance as identified under 36 CFR 228.7. You have a period of 10 working days upon receipt of this letter to satisfy the following requirements:

- a) submit a reclamation performance bond in the amount of \$38,000.00 that is acceptable and approved by the Forest Service under either a certificate of deposit, irrevocable letter of credit, certified cashier's check, sureties or other acceptable bonding instrument.
- b) Submit a letter stating the recent chain of events.
- c) Submit an amended plan of operations referencing your former plan of operations.

You and Robert Steele have a good history of working with the Sanpete Ranger District and it is my desire to continue in this direction. I look forward to your prompt response on these requirements.



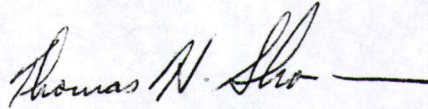
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If you have questions or concerns, you may contact me at 435-283-4151 or Will Wilson at 435-384-2372.

Sincerely,

A handwritten signature in cursive script, reading "Thomas H. Shore", followed by a horizontal line.

THOMAS H. SHORE
District Ranger

cc: Robert Steele, 1055 N. 400 E. Nephi, Utah 84648
Carter Reed, Manti-LaSal NF, Minerals
Tom Munson, DOGM, POB 145801, Salt Lake City, Utah 84114